

Letter from the Board of Directors

Dear Shareholder

It is with great pleasure that we formally report our first annual accounts for Mila Resources Plc (“Mila” or the “Company”) and update you on our strategy and goals for the coming year.

Our first year has been dominated by Mila’s IPO on the Main Market of the London Stock Exchange, through a Standard Listing. This was completed in October, following a successful raising of just over £1 million, for the execution of our strategy focusing on acquiring and progressing pre-development natural resources projects. We believe that now is an excellent time in the resources cycle to search for investment opportunities and that through astute acquisitions and careful stewardship of capital, our Company can quickly grow into an established and valuable mining company.

As we approach the end of 2016, market trends have highlighted signs of recovery in areas of the mining sector, but there remains significant opportunity for resourceful companies with the capital to unlock value from larger assets. With finance for non-producing projects still heavily constrained, this places Mila in a strong position to capitalise on market opportunities created by the current trends. Quality projects, which can demonstrate profitability at low commodity prices, are highly prized by larger institutions seeking low risk return, but many of these assets still need to conform to stringent technical standards. The Company’s strategy, to identify and invest in these high potential projects and fund them through the development cycle, will help to clear the path for secondary development finance at higher multiples, thereby generating maximum value from these assets.

With the Board and Advisory Committee’s wealth of experience in the sector, Mila remains open to global projects and has already been approached with a number of attractive investment opportunities, which are currently under careful review. While our pre-development focus enables the Company to anticipate commodity price increases in the coming years, our goal will also be to identify and exploit opportunities emerging from new socio-economic trends. As the world adapts to the impacts of climate change and low near-term economic growth, the drive for efficiency and sustainability could promote strong demand fundamentals in lesser appreciated resources.

Critical to the success of the Company’s strategy is the harmony between our financial and human resources and we are privileged to enjoy not only the assistance of a world-class Advisory Committee to complement our experienced management team, but also the strong support of our shareholders. The Directors share extensive experience of managing companies with pre-development natural resources operations across various jurisdictions, as well as advising both small and large corporations on fund-raising and M&A. The addition of the combined expertise of our Advisory Committee, consisting of Neil Herbert, Stuart Murray and Andrew Crozier, gives Mila another dimension that few companies of our size can boast. Between them, the Advisory Committee has c.100 years of mining experience including project management, investment and operational successes with companies such as Kennecott Copper, Polo Resources and Aquarius Platinum. Their input will be invaluable as the Company identifies and reviews acquisition opportunities.

We have been delighted with the strong support we received from investors during the listing process, which serves as an endorsement of our strategy and the quality of our management and advisory team. The enthusiasm of our shareholders confirms that the time is ripe for the entry of new resources companies with quality management targeting pre-development opportunities. With our IPO heavily oversubscribed, Mila now has a platform from which to review transactions far in excess of our current market capitalisation. Key to cementing this support has been the alignment of value between all stakeholders: your Directors received no remuneration prior to the listing and will receive only nominal salaries until the first acquisition is completed, while the Advisory Committee’s guidance and advice is

complimentary; and with all shares since incorporation issued at the same value of £0.05, all stakeholders share the same incentives for the long-term growth of company value.

Annual General Meeting

On 6 December, the Company will hold its first Annual General Meeting in London and we invite all our shareholders to attend. Attached to these accounts are the resolutions to be tabled at the meeting and we draw your attention to Resolutions 9 and 10 related to the consolidation of our ordinary share capital on a 10:1 basis and synchronous issue of 20,880,000 new shares to existing shareholders. The purpose of this purely accounting action is to transfer a portion of the Company's share premium account to the share capital account and realign our corporate structure with current regulation. We can assure all shareholders that the process will be automatic with no alteration to existing holdings nor new share certificates required.

We look forward to sharing this exciting journey with you and updating you on our progress in due course.

George Donne
Executive Director

10 November 2016

Company Registration No. 9620350 (England and Wales)

Mila Resources Plc

**Annual report and financial statements
for the period ended 30 June 2016**

Mila Resources Plc

Company information

Directors

George Donne
Anthony Eastman
Mark Stephenson

Company Secretary

Anthony Eastman

Company number

9620350

Registered office

Lockstrood Farm
Ditchling Common
Burgess Hill
West Sussex
RH15 0SJ

Independent Auditors

Saffery Champness
71 Queen Victoria Street
London
EC4V 4BE

Mila Resources Plc

Contents

	Page
Strategic report	1 – 2
Directors' report	3 – 4
Independent auditors' report	5 – 6
Statement of comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Statement of cash flow	10
Notes to the financial statements	11 – 18

Fair review of the business

The Company has developed three principal tenets that define its current views on the business strategy and its execution namely to:

- Identify and acquire pre-feasibility stage mining exploration opportunities, which require small additional investment to bring to development stage;
- Engage with specialist private equity groups to source additional potential projects already identified for development investment; and
- To generate income from the sale of pre-development projects to private equity and other financial or trade investors.

To enable the Company to pursue the principle activities, it is pursuing an initial public offering of its securities onto the London Stock Exchange through a Standard Listing to raise the necessary funds required for the execution of the business strategy.

Principal risks and uncertainties

No Operating History

The Company is a newly formed entity with no operating history and has not yet identified any potential target company or business or asset(s) for an Acquisition.

Acquiring Less than Controlling Interests

The Company may acquire either less than whole voting control of, or less than a controlling equity interest in, a target, which may limit the Company's operational strategies and reduce its ability to enhance Shareholder value.

Inability to Fund Operations Post-Acquisition

The Company may be unable to fund the operations post acquisition of the target business if it does not obtain additional funding.

The Company's Relationship with the Directors and Conflicts of Interest

The Company is dependent on the Directors to identify potential acquisition opportunities and to execute an Acquisition.

The Directors are not obliged to commit their whole time to the Company's business; they will allocate a portion of their time to other businesses which may lead to the potential for conflicts of interest in their determination as to how much time to assign to the Company's affairs.

Suitable Acquisition Opportunities may not be Identified or Completed

The Company's business strategy is dependent on the ability of the Directors to identify sufficient suitable acquisition opportunities. If the Directors do not identify a suitable acquisition target, the Company may not be able to fulfil its objectives. Furthermore, if the Directors do not identify a suitable target, the Company may not acquire it at a suitable price or at all. In addition, if an Acquisition is aborted the Company may be left with substantial transaction costs.

Risks Inherent in an Acquisition

Although the Company and the Directors will evaluate the risks inherent in a particular target, they cannot offer any further assistance that all of the significant risk factors can be identified or properly assessed. Furthermore, no assurance can be made that an investment in Ordinary Shares in the Company will ultimately

Mila Resources Plc

prove to be more favourable to investors than a direct investment, if such an opportunity were available, in a target business.

Reliance on External Advisors

The Directors expect to rely on external advisors to help identify and assess potential Acquisitions and there is a risk that suitable advisors cannot be placed under contract or that such advisors that are contracted to fail to perform as required.

Failure to Obtain Additional Financing to Complete an Acquisition or Fund a Target's Operations

There is no guarantee that the Company will be able to obtain any additional financing needed to either complete an Acquisition or to implement its plans post Acquisition or, if available, to obtain such financing on terms attractive to the Company. In that event, the Company may be compelled to restructure or abandon the Acquisition or proceed with the Acquisition on less favourable terms, which may reduce the Company's return on the investment. The failure to secure additional financing on acceptable terms could have a material adverse effect on the continued development or growth of the Company and the acquired business.

Reliance on Income from the Acquired Activities

Following an Acquisition, the Company may be dependent on the income generated by the acquired business or from the subsequent divestment of the acquired business to meet the Company's expenses. If the acquired business is unable to provide the sufficient amounts to the Company, the Company may be unable to pay its expenses or make distributions and dividends on the Ordinary Shares.

Restrictions in Offering Ordinary Shares as a Consideration for an Acquisition or Requirements to Provide Alternative Consideration.

In certain jurisdictions, there may be legal, regulatory or practical restrictions on the Company using its Ordinary Shares as a consideration for an Acquisition or which may mean that the Company is required to provide alternative forms of consideration. Such restrictions may limit the Company's acquisition opportunities or make a certain acquisition more costly, which may have an adverse effect on the results of operations of the Company.

Inaccurate Estimates of a Target's Reserves or Resources

The Company may estimate a potential target's resources and reserves. These are subject to a number of assumptions, including the price of commodities, production costs and recovery rates. Fluctuations in the variables underlying the estimates may result in material changes to its resources and reserve estimates which may have a materially adverse impact on the financial condition and prospects of a Company following acquisition.

Key performance indicators

Appropriate key performance indicators will be identified in due course as the business strategy is implemented.

On behalf of the board

George Donne
Director
11 August 2016

Mila Resources Plc

Directors' report For the period ended 30 June 2016

The directors present their report and financial statements for the period ended 30 June 2016.

Principal activities

The company was incorporated on 3 June 2015 under the name of Mila Resources Limited. The company changed its name to Mila Resources plc on 23 October 2015. The principal activity of the company is that of identifying potential companies, businesses or asset(s) that have operations in the natural resources exploration, development and production sector.

Directors

The following directors have held office since 3 June 2015:

George Donne	(appointed 3 June 2015)
Anthony Eastman	(appointed 3 June 2015)
Mark Stephenson	(appointed 3 June 2015)

Auditors

Saffery Champness was appointed auditors to the company and has expressed their willingness to remain in office.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing the financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Mila Resources Plc

Directors' report

For the period ended 30 June 2016

Statement of disclosure to auditors

So far as each of the directors is aware, there is no relevant information that has not been disclosed to the company's auditors and each of the directors believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the company's auditors have been made aware of that information.

On behalf of the board

George Donne
Director
11 August 2016

We have audited the company's financial statements on pages 7 to 18. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRS") as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the company as at 30 June 2016 and of its profit for the period then ended; and
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from preparing a strategic report.

Nick Gaskell (Senior Statutory Auditor)

For and on behalf of Saffery Champness

Chartered Accountants 71 Queen Victoria Street
Statutory Auditors London
EC4V 4BE

11 August 2016

Mila Resources Plc

Statement of comprehensive income

For the period ended 30 June 2016

	Notes	2016 £
Revenue		-
Administrative expenses		<u>(26,153)</u>
Profit before taxation	4	(26,153)
Income tax expense	6	<u>-</u>
Profit for the year		(26,153)
Other comprehensive income		<u>-</u>
Total comprehensive profit for the year		<u><u>(26,153)</u></u>

The income statement has been prepared on the basis that all operations are continuing operations.

The notes on pages 11 to 18 form part of these financial statements.

Mila Resources Plc

Statement of financial position As at 30 June 2016

	Note	2016 £
Current assets		
Cash at bank and in hand		62,368
		<u>62,368</u>
Current liabilities		
Trade and other payables	7	7,921
		<u>7,921</u>
Net current assets		54,447
		<hr/>
Net assets		54,447
		<hr/> <hr/>
Equity		
Share capital	8	2,200
Share premium	8	78,400
Retained profits		<u>(26,153)</u>
Equity attributable to the owners of the parent		54,447
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The notes on pages 11 to 18 form part of these financial statements.

The financial statements were approved by the board on 11 August 2016

George Donne
Director

Company Registration No. 9620350

Mila Resources Plc

Statements of changes in equity For the period ended 30 June 2016

	Share capital £	Share Premium £	Retained profits £	Total £
On incorporation	-	-	-	-
Shares issued during the period	2,200	78,400	-	80,600
Total comprehensive income for the period	-	-	(26,153)	(26,153)
Balance at 30 June 2016	2,200	78,400	(26,153)	54,447

The notes on pages 11 to 18 form part of these financial statements.

Mila Resources Plc

Statement of cash flow For the period ended 30 June 2016

	Period ended 30 June 2016 £
Cash flows from operating activities	
Loss for the period	(26,153)
Increase in trade and other payables	7,921
Net cash flow from operating activities	(18,232)
Cash flows from financing activities	
Proceeds on issue of shares	80,600
Net cash flow from financing activities	80,600
Net increase in cash and cash equivalents	62,368
Cash and cash equivalents at beginning of the period	-
Cash and cash equivalents at end of the period	62,368

1 General information

Mila Resources plc (‘the ‘Company’’) looks to identify potential companies, businesses or asset(s) that have operations in the natural resources exploration, development and production sector. The Company is domiciled in the United Kingdom and incorporated and registered in England and Wales. The Company’s registered office is Lockstrood Farm, Ditchling Common, Burgess Hill, West Sussex RH15 0SJ.

2 Accounting policies

The principal accounting policies applied in preparation of these consolidated financial statements are set out below. These policies have been consistently applied unless otherwise stated.

Basis of preparation

The financial information has been prepared in accordance with International Financial Reporting Standards (‘IFRS’) as adopted by the European Union and in accordance with the IFRS Interpretations Committee (‘IFRIC’) interpretations.

Going concern

The Company is required to assess whether it has sufficient resources to continue its operations and to meet its commitments for the foreseeable future. The directors have prepared the financial information on a going concern basis, as in their opinion the Company is able to meet its obligations as they fall due. This opinion is based on detailed forecasting for the following 12 months based on current and expected market conditions together with current performance levels. Should the going concern assumption no longer remain valid the carrying value of the Company’s assets will need to be assessed for impairment and the balance sheet will need to be prepared on a break-up basis.

Foreign currencies

The financial information is presented in Sterling which is the Company’s functional and presentational currency.

Transactions in currencies other than the functional currency are recognised at the rates of exchange on the dates of the transactions. At each balance sheet date, monetary assets and liabilities are retranslated at the rates prevailing at the balance sheet date with differences recognised in the Statement of comprehensive income in the period in which they arise.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Company’s activity. Revenue is shown net of value added tax, returns, rebates and discounts. The Company recognises revenue when the amount of the revenue can be reliably measured and when it is probable that economic benefits will flow to the entity.

Financial assets

The Company classifies its financial assets in the category of loans and receivables. The classification depends on the purposes for which these assets were acquired. Management takes decisions concerning the classification of its financial assets at initial recognition and reviews such classification for appropriateness at each reporting date. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Company’s loans and receivables comprise ‘trade and other receivables’.

2 **Accounting policies (continued)**

Trade receivables

Trade receivables, defined as loans and receivables in accordance with IAS 39 'Financial Instruments: Recognition and Measurement', are recorded initially at fair value and, where appropriate, are subsequently measured at amortised cost. A provision for impairment of trade receivables is established when there is evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the assets' carrying amount and the present value of future cash flows discounted at the effective interest rate. The movement in the provision is recognised in the statement of comprehensive income.

Trade and other payables

Trade and other payables are recognised and initially measured at cost, due to their short term nature. All of the Company's trade payables are non-interest bearing.

Current and deferred income tax

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit or loss, because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial information and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled. Deferred tax is charged or credited in the profit or loss, except when it relates to items credited or charged in other comprehensive income directly to equity, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred tax assets

Management regularly assesses the likelihood that deferred tax assets will be recovered from future taxable income. No deferred tax asset is recognised when management believes that it is more likely than not that a deferred asset will not be realised.

2 Accounting policies (continued)
Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at an appropriate pre-tax discount rate.

Equity

Share capital is determined using the nominal value of shares that have been issued.

The Share premium account includes any premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from the Share premium account, net of any related income tax benefits.

The fair value of equity-settled share-based payments is credited to a Share-based payment reserve as a component of equity until related options or warrants are exercised.

Share-based payments

The Company has issued warrants to the initial investors.

Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value so determined is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the number of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Fair value is measured using a Black Scholes pricing model. The key assumptions used in the model have been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Standards issued but not yet effective

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Company and which have not been applied in these financial statements, were in issue but were not yet effective. In some cases these standards and guidance have not been endorsed for use in the European Union.

Standard	Effective date, annual period beginning on or after
Annual Improvements 2012-2014 cycle	1 January 2016
IFRS 11 (amendments) <i>Accounting for acquisitions of interests in joint operations</i>	1 January 2016
IFRS 14 <i>Regulatory Deferral accounts</i>	1 January 2016*
Amendments to IFRS 10, IFRS 12 and IAS 28 <i>Investment entities – Applying the Consolidation Exception</i>	1 January 2016
IAS 16 <i>Property, Plant & Equipment</i> and IAS 38 – <i>Intangible assets</i> (amendments)	1 January 2016
IAS 16 <i>Property, Plant & Equipment</i> and IAS 41 – <i>Bearer Plants</i> (amendments)	1 January 2016

Notes to the financial statements (continued)

For the period ended 30 June 2016

2 Accounting policies (continued)

IAS 1 Disclosure Initiative	1 January 2016
IAS 27 (amendments) <i>Equity Method in Separate Financial Statements</i>	1 January 2016
Amendments to IAS 12 – <i>Recognition of Deferred Tax for Unrealised Losses</i>	1 January 2017
Amendments to IAS 7 – <i>Disclosure Initiative</i>	1 January 2017
IFRS 9 <i>Financial instruments</i>	1 January 2018
IFRS 15 <i>Revenue from contracts with Customers</i> including amendments to IFRS 15: <i>Effective date of IFRS 15.</i>	1 January 2018
Clarifications to IFRS 15 <i>Revenue from contracts with Customers</i>	1 January 2018
IFRS 16 <i>Leases</i>	1 January 2019
Amendments to IFRS 2: <i>Classification and Measurement of Share-based Payment Transactions</i>	1 January 2018

*The European commission as decided not to launch the endorsement process of this interim standard but to wait for the final standard.

The directors are evaluating the impact that these standards will have on the financial statements of the Company.

3 Critical accounting estimates and judgements

In application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

There are no critical judgements that the directors have made in the process of applying the Company's accounting policies and that have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

There are no key assumptions concerning the future, or other key sources of estimation uncertainty at the balance sheet date, that may have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes to the financial statements (continued)
For the period ended 30 June 2016

4 Profit before tax

Profit before taxation is arrived at after charging:

	2016
	£
Costs associated with listing	21,950
Audit fees	3,800
Other expenses	403
	<hr/>

5 Staff costs

	2016
The average monthly number of employees (including directors) employed by the Company was:	3

	2016
	£
Aggregate remuneration (including directors)	
Wages and salaries	-
Social security costs	-
	<hr/>
	<hr/>

6 Taxation

	2016
	£
Corporation tax:	
Current year	-
	<u>-</u>

The charge for the year can be reconciled to the profit in the income statement as follows:

	2016
	£
Loss before taxation	<u>(26,153)</u>
Tax at the UK corporation tax rate of 20%	(5,231)
Other tax adjustments	<u>5,231</u>
	-
Tax expense for the year	<u><u>-</u></u>

7 Trade and other payables

	2016
	£
Trade payables	136
Accruals	7,800
VAT	(15)
	<u>7,921</u>

Notes to the financial statements (continued)
For the period ended 30 June 2016

8 Share capital

	Number of shares in issue	Share capital £	Share premium £	Total £
Ordinary shares of £0.001 each issued at par on 3 June 2015	600,000	600	-	600
Ordinary shares of £0.001 each issued at £0.05 on 16 October 2015	1,600,000	1,600	78,400	80,000
Balance at 30 June 2016	<u>2,200,000</u>	<u>2,000</u>	<u>78,400</u>	<u>80,600</u>

The Company has one class of Ordinary share which carries no right to fixed income.

	Number of options in issue
Warrants issued: £0.05, 31 December 2020	<u>4,400,000</u>
Balance at 30 June 2016	<u>4,400,000</u>

Warrants over 4,400,000 shares were granted on 16 October 2015. The warrants vested on grant date and expire on 31 December 2020. The exercise price of the warrants is 5pence per share.

At 30 June 2016, warrants over 4,400,000 were outstanding with no warrants exercised in the period.

Using the Black Scholes method, the fair value of the warrants at grant date was measured at £nil and therefore no charge has been recognised in the income statement.

9 Related party disclosures**Remuneration of Directors and key management personnel**

The directors and key management personnel did not receive any remuneration during the period.

Shareholdings in the Company

Shares and warrants held by the directors of the Company.

	Shares	Warrants (Note 8)
Mr George Donne	200,000	400,000
Mr Anthony Eastman	200,000	400,000
Mr Mark Stephenson	600,000	1,200,000
Balance at 30 June 2016	<u>1,000,000</u>	<u>2,000,000</u>

10 Control

The Directors consider there not to be an ultimate controlling party.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting (**Meeting**) of Mila Resources Plc (**Company**) will be held at 3-7 Temple Avenue, London, EC4Y 0HP on 6 of December at 9.30am.

You will be asked to consider and vote on the resolutions below. Resolutions 1 to 7 will be proposed as ordinary resolutions and resolutions 8 to 10 will be proposed as special resolutions.

RESOLUTIONS

1. To receive and adopt the annual accounts of the Company for the financial year ended 30 June 2016 together with directors' reports and auditor's report on those accounts.
2. To re-appoint Mark Stephenson as a director of the Company, who, having been appointed during the period, is retiring in accordance with Article 69 of the Company's Articles of Association, and being eligible, is offering himself for re-appointment.
3. To re-appoint Anthony Eastman as a director of the Company, who, having been appointed during the period, is retiring in accordance with Article 69 of the Company's Articles of Association, and being eligible, is offering himself for re-appointment.
4. To re-appoint George Donne as a director of the Company, who, having been appointed during the period, is retiring in accordance with Article 69 of the Company's Articles of Association, and being eligible, is offering himself for re-appointment.
5. To re-appoint Saffery Champness as the Company's auditors to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting at which the accounts are laid before the Company.
6. To authorise the directors to determine the remuneration for the auditors for the financial year ended 30 June 2017.
7. That the directors of the Company be and are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "**Act**") to exercise all powers of the Company to allot equity securities (as defined in section 560(1) of the Act) in the Company and/or to grant rights to subscribe for or to convert any security into such shares ("**Allotment Rights**"), but so that the maximum amount of equity securities that may be allotted or made the subject of Allotment Rights under this authority are shares with an aggregate nominal value of £500,000, provided that this authority, unless duly renewed, varied or revoked by the Company, will expire on the date being fifteen months from the date of the passing of this resolution or, if earlier, the conclusion of the next annual general meeting of the Company to be held after the passing of this resolution, save that the Company may before such expiry make offers of agreements which would or might require shares to be allotted or Allotment Rights to be granted after such expiry and, the directors may allot shares and grant Allotment Rights in pursuance of such an offer or agreement notwithstanding that the authority conferred by this resolution has expired.

SPECIAL RESOLUTIONS

8. That, conditional on the passing of Resolution 7, the directors be and they are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash, pursuant to the authority conferred by Resolution 7 or by way of a sale of treasury shares as if section 561(1) of the Act did not apply to any such allotment or sale, provided that this power shall be limited to:
 - 8.1 the allotment of equity securities in connection with an offer by way of a rights issue, open offer or other offer:
 - 8.1.1. to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
 - 8.1.2. to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any applicable regulatory body or stock exchange;
 - 8.2 the allotment (otherwise than pursuant to sub-paragraph 8.1 above) of equity securities and the sale of treasury shares up to an

aggregate nominal amount of £23,200 representing approximately 10 per cent. of the Company's current issued share capital, provided that the power granted by this resolution will expire on the date being fifteen months from the date of the passing of this resolution or, if earlier, the conclusion of the next annual general meeting of the Company to be held after the passing of this resolution (unless renewed, varied or revoked by the Company prior to or on such date), save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted or treasury shares to be sold after such expiry and, the directors may allot equity securities or sell treasury shares in pursuance of such an offer or agreement notwithstanding that the authority conferred by this resolution has expired.

9. THAT, the 23,200,000 of ordinary shares of £0.001 each in the issued share capital of the Company be consolidated into 2,320,000 ordinary shares of £0.01 each, such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the existing ordinary shares of £0.001 each in the capital of the Company as set out in the Company's articles of association for the time being.
10. THAT, subject to the passing of resolutions 7 and 9, the sum of £208,800 being part of the share premium account be and is hereby capitalised and appropriated as capital to the holders of ordinary shares of £0.01 each in the capital of the Company as appearing in the register of members as at the close of business on 6 December 2016 and that the directors be and are hereby authorised to apply such sum in paying up in full 20,880,000 of £0.01 each in the capital of the Company and to allot and issue such new shares, credited as fully paid up, to the holders of ordinary shares of £0.01 each at the rate of nine such new share(s) for every one existing ordinary shares of £0.01 each held by them.

By order of the Board
Anthony Eastman
Company secretary
10 November 2016

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

Entitlement to attend and vote

1. Only those shareholders registered in the Company's register of members at:
 - close of business on 2 December 2016; or,
 - if this meeting is adjourned, at close of business on the day two days prior to the adjourned meeting,shall be entitled to attend, speak and vote at the meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

Website giving information regarding the meeting

2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, can be found at www.milaresources.com.

Attending in person

3. If you wish to attend the meeting in person, registration will take place at 9.00am, no mobile phones or other electronic equipment which may be used for recording such as cameras, video recorders or similar equipment will be allowed in the venue.

Appointment of proxies

4. If you are a shareholder who is entitled to attend and vote at the meeting, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this notice of meeting. A proxy does not need to be a shareholder of the Company but must attend the meeting to represent you. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
5. If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures section "Nominated persons" below.

6. You may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To appoint more than one proxy, photocopy the proxy form and insert the number of shares over which the proxy is appointed in the box next to the proxies name. You will need to state clearly on each proxy form the number of shares in relation to which the proxy is appointed. Failure to specify the number of shares to which each proxy appointment relates or specifying a number in excess of those held by the shareholder will result in the proxy appointment being invalid. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the chairman) and give your instructions directly to them.
7. Shareholders can:
- Appoint a proxy or proxies and give proxy instructions by returning the enclosed proxy form by post (see note 9).
 - Register their proxy appointment electronically (see note 10).
- If a CREST member, register their proxy appointment by utilising the CREST electronic proxy appointment service (see note 11). Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend and vote in person, your proxy appointed will automatically terminate.
8. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

Appointment of proxy by post

9. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be:
- completed and signed;
 - sent or delivered to Capita Asset Services at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU; and
 - received by Capita Asset Services no later than close of business on 2 December 2016.

In the case of a shareholder which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form. If you have not received a proxy form and believe that you should have one, or if you require additional proxy forms, please contact Capita Asset Services at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

Appointment of proxies electronically

10. As an alternative to completing the hard-copy proxy form, you can appoint a proxy electronically via the Registrar's website by visiting www.capitashareportal.com. From there shareholders can log in to their Capita share portal account or register for the Capita share portal by following the on screen instructions. You will need to enter your Investor Code, which can be found on your proxy. For an electronic proxy appointment to be valid, your appointment must be received by Capita Asset Services no later than close of business on 2 December 2016.

Appointment of proxies through CREST

11. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available via www.euroclear.com). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

For a proxy appointment or instructions made using the CREST service to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the

CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (IDRA10) no later than close of business on 2 December 2016, or, in the event of an adjournment of the meeting, 48 hours before the adjourned meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member, or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Appointment of proxy by joint members

12. In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

13. Shareholders may change proxy instructions by submitting a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Capita Asset Services at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointment

14. A shareholder may change a proxy instruction but to do so you will need to inform the Company in writing by sending a signed hard-copy notice clearly stating your intention to revoke your proxy appointment to Capita Asset Services at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Capita Asset Services no later than close of business on 2 December 2016.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified, your original proxy appointment will remain valid unless you attend the meeting and vote in person.

Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

MILA RESOURCES PLC

**(“the Company”)
PROXY FORM – ANNUAL GENERAL MEETING
Tuesday 6th of December 2016**

Before completing this form, please read the explanatory notes below

I/We the undersigned.....of.....
..... being the holder of ordinary shares of £0.001 each in the capital of the Company hereby appoint the chairman of the meeting or (see note 3)

--

as my/our proxy to attend, speak and vote in respect of all /ordinary shares (see Note 4) held by me/us on my/our behalf at the Annual General Meeting of the Company to be held at the offices of Smithfield Partners Ltd, Temple Chambers, 3-7 Temple Avenue, London EC4Y 0HP on 6th of December 2016 at 9:30am and at any adjournment of the meeting.

I/We direct my/our proxy to vote on the following resolutions as I/we have indicated by marking the appropriate box with an 'X'. If no indication is given, my/our proxy will vote or abstain from voting at his or her discretion and I/we authorise my/our proxy to vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

If you wish to appoint multiple proxies, please see note 4 below. Please tick here if this proxy appointment is one of multiple appointments being made: []

RESOLUTIONS	For	Against	Vote withheld
ORDINARY RESOLUTIONS			
1. To receive the Company’s annual accounts for the financial year ended 30 June 2016 together with the directors’ reports and auditor’s report on those accounts.			
2. To re-appoint Mark Stephenson as director of the Company.			
3. To re-appoint Anthony Eastman as director of the Company.			
4. To re-appoint George Donne as director of the Company.			
5. To re-appoint Saffery Champness as the Company’s auditors to hold office from the conclusion of the meeting until the conclusion of the next general meeting at which accounts are laid before the Company.			
6. To authorise the directors to determine the remuneration for the auditors for the financial year ended 30 June 2017.			
7. To authorise directors to allot ordinary shares			

SPECIAL RESOLUTIONS			
8. To authorise the directors to disapply statutory pre-emption rights pursuant to section 570 of the Companies Act 2006.			
9. To consolidate 23,200,000 ordinary shares of £0.001 into 2,320,000 ordinary shares of £0.01 each, such shares having same rights and being subject to the same restrictions as the existing ordinary shares as set out in the Company's articles of association.			
10. Subject to the passing of resolutions 7 and 9, to capitalise the sum of £208,800, from the share premium account, and appropriated to the holders of the ordinary shares and that the directors be and are authorised to apply such sums in paying up in full 20,888,000 of £0.01 each in the capital of the Company and to allot and issue such new shares, credited as fully paid up to the holders of ordinary shares at the rate of nine such new shares for every one existing ordinary share each held by them.			

Signature	Date

Notes

FORM OF PROXY

1. As a member of the Company you are entitled to appoint a proxy or proxies to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes. If the proxy is being appointed in relation to part of your holding only, please enter in the box next to the proxy's name the number of shares in relation to which they are authorised to act as your proxy. If this box is left blank they will be authorised in respect of your full voting entitlement.

2. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

APPOINTMENT

3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. If you wish to appoint a proxy other than the chairman of the meeting, insert their full name in the box. If you fail to initial the alteration, or if you sign and return this proxy form without a name inserted for the proxy, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the chairman and give them the relevant instructions directly.

4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy you may copy this form. If you are appointing more than one proxy, please indicate in the box next to the proxy holder's name the number of shares in relation to which they are authorised to act as your proxy and indicate by ticking the relevant box that the proxy appointment is one of multiple appointments being made. Multiple proxy appointments should be returned together in the same envelope.

5. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

VOTING DIRECTIONS

6. To direct your proxy how to vote on the resolutions mark the appropriate box with an 'X'. To abstain from voting on a resolution, select the relevant "Vote withheld" box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting, including a motion to adjourn.

RETURNING YOUR FORM OF PROXY

7. To appoint a proxy using this form, the form must be:

- Completed and signed;
- Sent by post to PXS 34 Beckenham Road, Beckenham, Kent, BR3 4TU, or
- Hand delivered to Capita Asset Services at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU; and
- Received by Capita Asset Services no later than close of business 2 December 2016.

8. In the case of a member which is a company, this proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which this proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

9. CREST members who wish to appoint a proxy or proxies by using the CREST electronic appointment service may do so by using the procedures described in the CREST Manual. To be valid, the appropriate CREST message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must be transmitted so as to be received by our agent Capita Asset Services CREST Participant ID: RA10 by close of business 2 December 2016. See the notes to the notice of meeting for further information on proxy appointment through CREST.

11. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence. For details of how to change your proxy instructions or revoke your proxy appointment, see the notes to the notice of meeting.

12. You may not use any electronic address provided in this proxy form to communicate with the Company for any purposes other than those expressly stated.